

# INFORMATION REPORT

COUNTRY Germany (Russian Zone)

SUBJECT Soviet Dissatisfaction With Fulfilment  
of VEB Production Plans for 1950

PLACE  
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- On 6 October 1950, Pyerelivchenko, deputy to General Chuikov and head of the Economic Planning Department of the SKK, called on Fritz Selbmann, Minister for Industry and stated that production plans for 1950 had not been fulfilled in a satisfactory manner, that VEB's did not effect timely deliveries to the SAG's, and that the matter must be rectified and all production plans fully realized by the end of the year. Selbmann remarked that such criticisms were not correct in regard to all VEB's, but could, of course, be applied to Maschinenbau and Elektrotechnik. He added that, particularly in the early part of the year, and even up to the present, insufficient Westmark had been made available for the purchase of machinery required by VEB's to aid them in fulfilling the 1950 Plan. Pyerelivchenko replied that Kaslov, head of the SKK Industrial Department, would shortly call on Selbmann and discuss this question of Westmark.
- On 9 October 1950, Selbmann was visited by Kaslov, who immediately asked how many Westmark were needed to fulfil the 1950 delivery program. Selbmann stated that some 2,500,000 Westmark were urgently required for the purchase of machinery and added that difficulties would certainly be encountered in obtaining machinery and materials from the West, since the United States had warned countries receiving ERP assistance that, if they delivered vital machinery etc. to eastern European countries, ERP assistance would almost certainly cease. Kaslov, however, said that Selbmann had merely to state what was required. The actual means of obtaining the machinery was a matter for the Ministry for Internal Trade, Foreign Trade, and Material Supply, which would have to find a way of overcoming all difficulties.
- Selbmann then asked whether other countries from the Eastern Bloc could not deliver certain machines. Kaslov said that this was impossible, since these countries were not yet in a position to effect such deliveries. It was only a question of the matter being arranged by the responsible officials in the Ministry for Internal Trade, Foreign Trade and Material Supply. It was, therefore, agreed that Selbmann should prepare a list of his requirements and submit them to this Ministry.

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4. Selbmann then said that, in his opinion, the 1950 production plan had been too ambitious. Kaslov, however, replied that the SKK knew exactly what the VEB's could do and that only the SKK could decide on such matters.
5. The question of technicians was then discussed and Selbmann stated that they were badly needed in Eastern Germany and that he did not know where to find more. Kaslov replied that a recruiting campaign should be started 50X1-HUM  
He felt sure that, in view of the unemployment in the West, sufficient numbers of technicians could be persuaded to take up lucrative posts in the Soviet Zone if the campaign were properly organized. Selbmann said that he 50X1-HUM  
would see what could be done.

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